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ABSTRACT

This report describes the provisions, legislative history, and justification of the School Facilities Child Care Act. This act authorizes $30 million for each of the fiscal years 1985 through 1987 for grants to public and private nonprofit agencies and organizations to establish and operate school-age child care programs in public school facilities and community centers, with priority being given to school facilities. These programs would be operated before and after school and during vacations, would be developed with the involvement of parents, and would have to comply with state and local day care licensing laws and regulations. The federal share for operating costs would be 100 percent in the first year, 50 percent in the second year, and 25 percent in the third year. The committee believes that this approach will assist parents who cannot afford private care, strengthen the quality of care through public school involvement, and provide services to the largest possible number of children. Among the bill's provisions are a requirement that the Secretary of Health and Human Services establish a national clearinghouse to disseminate information on school-age day care programs. (CB)

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98TH CONGRESS
2d Session

HOUSE OF REPRESENTATIVES

REPORT
98-745

SCHOOL FACILITIES CHILD CARE ACT

MAY 14, 1982.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. PERKINS, from the Committee on Education and Labor, submitted the following

REPORT

together with

SUPPLEMENTAL VIEWS

[To accompany H.R. 4193]

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PS 014679

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and Labor to whom was referred the bill (H.R. 4193) to encourage the use of public school facilities before and after school hours for the care of school-age children, and for other purposes, having considerd the same, report favorably thereon with an amendment and recommend that the bill as amended to pass.

The amendment strikes out all after the enacting clause and inserts a substitute text which appears in italic type in the reported bill.

SUMMARY

H.R. 4193 authorizes $30 million for each of the fiscal years 1985 through 1987 for grants to public and private nonprofit agencies and organizations to establish and operate school-age child care programs in public school facilities and community centers, with priority to school facilities. These programs would be operated before and after school and during vacations, would be developed with the involvement of parents, and would have to comply with State and local day care licensing laws and regulations. The Federal share for operating costs would be 100 percent in the first year, 50 percent in the second year, and 25 percent in the third year.

31-006 O

LEGISLATIVE HISTORY

H.R. 4193 was introduced on October 21, 1983, by Congresswomen Schroeder, Burton, and Ferraro. The bill currently has 79 cosponsors.

The Subcommittee on Elementary, Secondary, and Vocational Education conducted a hearing on this bill on April 30, 1984. The Subcommittee marked up this bill and ordered it reported to the full Committee on May 3, 1984 by voice vote. On May 8, the Full Committee on Education and Labor discharged from further consideration the Subcommittee on Human Resources, to whom the bill was jointly referred, and ordered the bill reported with an amendment in the nature of a substitute, by voice vote.

NEED FOR THE LEGISLATION

A dozen years ago, the U.S. Department of Health, Education, and Welfare published a handbook addressing the subject of school-age day care. It posed the question: "Why should there be day care for school-age children?" The handbook's own response was clear and simple. "The answer is that the needs of families and developmental needs of many children during these important years are not adequately met."

What was true a dozen years ago is even more true today. The Subcommittee on Elementary, Secondary, and Vocational Education recently heard extensive testimony from witnesses who have examined the need for school-age day care. The testimony emphasized the growing number of children whose parents are employed full time, and included evidence that many of these children are without adequate care and supervision during before and after-school hours and during vacation periods. According to the Department of Labor, 14.6 million children age 6 through 13 had mothers in the labor force in March 1983. This represented 57 percent of all children in that age group. Demographic projections indicate that the number and proportion will continue to grow, as more and more mothers—both those who are in intact families and those who head single-parent households—join the labor force, and remain there, during the years their children are in school.

Assuring the care of these children is a difficult problem for working parents even when there are two parents in the home. However, it is particularly difficult for single parents. In 1983 about 3.6 million children were in single-parent households where the parent was in the labor force. About 3.3 million children were in female-headed households where the mother was working. This group, representing about 13 percent of all children age 6 through 13, faces the most serious problems of all. Not only are there not two parents to share the child care responsibilities, there is also usually very little income available to purchase needed care. In 1983, the median income of families headed by a working mother with children age 6 through 13 was only $11,200. Clearly, these families cannot readily purchase quality child care.

How are school-age children of working parents being cared for? There are very few data available to answer this question. Nevertheless, those who have undertaken the pioneer work of promoting care for school-age children know that the care is often inadequate

or non-existent. Estimates of the numbers of school-age children in self or sibling care range from a low of 1.8 million, estimated by the Census Bureau in 1976, to a high of 7 million, cited by Editorial Research Reports in 1983. Even those who are in some kind of organized care are often not in arrangements that are satisfactory to the children or to their parents. Vacation time and school holidays pose special problems. Transportation to and from before and after-school arrangements is another problem. Unreliable and poorly-skilled caretakers represent yet another threat to the well-being of the children and families involved.

For most, however, the problem of the latchkey child, the child who is without any adult care, is the most worrisome. Testimony presented to the Subcommittee on behalf of the National Association of Elementary School Principals included the following statement of concerns:

"Young children who are unsupervised after school hours because their parents are employed must be safeguarded against accidents, injury, kidnapping, and child abuse—tragedies that occur far too frequently. These youngsters are also subjected to intense peer and social pressure, and many become victims of alcohol and drug abuse.

"At best, these unsupervised hours are 'empty:' latchkey children often supervise themselves by watching television rather than engaging in more challenging activities."

These concerns are shared by the Committee. They constitute a strong call for help on behalf of our young school-age children.

Without question, many parents would use child care programs if they were available and affordable. Local studies referred to in testimony before the Subcommittee suggest that 50 to 80 percent of parents would use child care options if they were available. Unfortunately, for many parents, they are not. State and local funding sources are sporadic and are drying up. For example, in New York State, between 8,400 and 12,000 children have been eliminated from day care because of loss of public funds between 1981 and 1983. Illinois has gone from serving 28,100 to 18,000. And in other areas, these services were never available to begin with. For other families, the cost of the private facilities that do exist make these services out of the question. The average cost of group day care for children of school age is up to $50 per week.

The Federal Government has maintained several child care programs for preschool children, but these programs have been substantially cut or eliminated since 1981. Moreover, they do not address school age children, by and large.

A unified Federal approach encouraging use of school facilities would not only assist parents who cannot afford private care, but would also strengthen the overall provision of services throught public school involvement. According to a survey of 33 States made by the School Age Child Care Project at Wellesley College, programs with public school involvement ranked high among day care models.

It is the belief of the Committee that the amendments included in the "School Facilities Child Care Act" represent an important step in providing help to school-aged children of working parents. The amendment authorize new Federal funding. The amounts are

relatively modest—$30 million for each of three fiscal years, 1985, 1986 and 1987. The Committee is hopeful, however, that the new Federal funds will encourage the development of programs in areas where none now exist, and will promote the improvement of those programs that are already operating. The Committee recognizes that the amendments merely address the need, they do not fill it. Quality care for all school-age children who need it will take the combined efforts of all levels of government, working hand-in-hand with private organizations and concerned parents. However, the Committee believes that the time has come for Federal Government to provide leadership and concrete assistance to those who are trying to assure the well-being of our school-aged children through the development of constructive new programs, particularly throught the use of public school facilities.

PROVISION OF THE BILL

Statement of findings and purpose

The "School Facilities Child Care Act," as approved by the Committee, includes a statement that sets forth the findings of the Congress with respect to the need for child care for young school-aged children. The Committee believes that it is important for the Congress to acknowledge the growing problem of providing care for children before school, after school, during school holidays, and during school vacations when parents must work. The statement of findings emphasizes the special problems of the latchkey child, whose lack of supervision involves physical and psychological risks, including accidents and feelings of loneliness and fear, and increased likelihood of alcohol and drug abuse and other delinquent behavior.

Member of the Committee have heard testimony, which is reflected in the statement of findings, that there is a scarcity of existing programs, and a lack of funding available to subsidize care for children in families with limited financial resources. The findings state clearly that the Federal Government has a role in the promotion of quality and adequate child care services which contribute to the well-being of children and families. Finally, the findings recognize that the public school represents a useful resource for providing before- and after-school care.

Based upon recognition that the parent is the primary influence in the life of the child and that parent must have ultimate decisionmaking authority on issues relating to the welfare and care of the child, the Committee sets forth as the purpose of the bill: (1) the encouragement of partnerships among parents, public elementary and secondary school educators, and child care providers to serve the interests of school-age children in need of before- and after-school care; (2) the promotion of the availability of child care services to school-age children in need of services; (3) the provision of financial assistance to public agencies and private nonprofit organizations using public school facilities and community centers for before- and after-school child care services; (4) the provision of assistance to families whose financial resources are insufficient to pay the full cost of services; and (5) the encouragement of State and local educational agencies and community organizations to

assess the need for school-age child care services and to promote public awareness of the need to provide adult supervision of school-age children and the availability of programs to provide these services.

Program authorization

The Committee's bill responds to the expressed need for school-age child care services in an efficient and cost-effective way. It authorizes $30 million for each of the fiscal years 1985 through 1987 for the Secretary of Health and Human Services to make grants to public agencies and private nonprofit organizations to assist them in operating programs in public school facilities and in community centers. Priority is given to the provision of services in public school facilities. Administrative expenses are limited to 5 percent of the appropriation.

The Committee believes that use of these existing facilities will provide services to the largest possible number of children.

According to testimony presented to the Committee, public schools are beginning to express an increased interest in providing before- and after-school care. The School-Age Child Care Project, a private research project, stated in findings published in 1983 that more than half of the 171 school-age child care programs examined as part of that project had some type of affiliation with the public schools, or, in some cases, were actually operated by the public schools. One of the advantages cited for school-age child care programs operated in schools is that the schools can benefit by increased involvement of parents in and sympathy for school needs and activities. Schools can also make effective use of empty space, and some may gain revenue if they charge rental fees for partnership programs. From the parent's viewpoint, a degree of assurance in the quality of care, as well as the elimination of the hassle and expense of additional transportation, are important advantages to use of the public school. With respect to community center facilities, there is the unique advantage that many of them offer in providing constructive recreational, athletic and instructional activities, using already-existing facilities, equipment, and staff.

Requirements for applications

The Committee has established criteria for applicants for Federal funds which it believes will result in the most effective use of these funds. Under the Committee bill, each applicant must set forth the need for the child care services that are expected to be provided. The applicant agency or organization must also provide assurances that it has knowledge of and experience in the special nature of child care services for school-age children. These requirements make clear that the Committee expects funds to be used where there is a need for services, and that the services will be provided by qualified organizations and individuals.

Applicants that are not State or local educational agencies must also assure that they will enter into an agreement with a State or local educational agency, institution of higher education, or community center. The agreement must provide for the use of facilities for the provision of before- and after-school child care services (including use during holidays and vacation periods), and must de-

scribe any restrictions on space, and times when space will be available for the use of the applicant.

The Committee is aware of the problem of the high cost of quality child care, and therefore is requiring applicants to provide an estimate of the costs of establishing and operating child care programs in school facilities. This will enable the Secretary to assess the costs of the care anticipated to be provided by applicants throughout the country, and provide a guide to the reasonable costs of quality school-age child care.

Recognizing the problems of the cost of care to parents, particularly to parents who have low income, the Committee bill requires each applicant for funds to provide a sliding-fee schedule, based upn the services provided and family income (adjusted for family szie for children receiving services assisted under the Committee bill). The Committee wants to assure that programs will provide care to the broad spectrun of children and families that need them. Testimony presented to the Committee indicated the dangers of developing a two-tier chold care system—one for those who can afford quality care, and another for those who cannot. The aim of this bill is to provide access to quality care for all children, regardless of family income.

A long-standing concern about child care programs is that they will undermine the role of the parent. Good child care programs will not do this. Rather, they will promote parent-child relationships. To emphasize the importance of this aspect of child care, the Committee bill requires applicants for funds to provide assurances that the parents of school-age children wil be involved in the development and implementation of the program.

To assure that the Federal funds provided under the Committee's bill will result in new and improved programs, the bill requires each applicant to use these funds to supplement and, to the extent practicable, increase the level of funds that would otherwise be available for establishing and operatng programs. In no case could these Federal funds be used to supplant funds from other sources.

It is the intent of the Committee that recipients who have received funding from a non-Federal source, but who through no deliberate action by them, later fail to receive such funds, not be penalized by the provisions of Section 5(a)(6), requiring funds to be used to supplement and not supplant. The Committee realizes there are instances when withdrawal of non-Federal funds is beyond the control of the recipient. In such cases, Federal funds may be received and used by the applicant in lieu of previously available non-Federal funds.

The Committee also expects that the funds will be used in ways that will encourage the development of programs that will have sufficient community support to operate in future years without Federal assistance. Thus, applicants for assistance will be required to provide assurances that they will not make these program funds available for the cost of operating any program in an amount which exceeds 50 percent of the costs of operation in the second year of assistance to the program, or 25 percent of the costs of operation in the third year of assistance.

The Committee accepted this amendment in the knowledge that the purpose of H.R. 4193 is to help establish before-and-after school

child care in areas unserved or underserved by the availability of this service for school-aged children. This purpose is better served if the funds available under this act are directed toward establishing services, as opposed to operating services on an ongoing basis. The limitations on the availability of funds provided under this act for operating programs established under this act are designed to serve as an incentive to grantees to secure community-based support to sustain programs. The Committee believes that H.R. 4193 so amended serves as an important federal incentive to local agencies and groups to establish much-needed child care programs and as an important incentive to local areas to support and continue these programs. Providing adequate child-care services requires this Federal-State-local partnership.

Other requirements include the provision of assurances that the applicant will seek to enroll racially, ethnically and economically diverse children, as well as those who are handicapped; comply with applicable State and local licensing laws and regulations governing day care services for school-age children; participate in data collection and evaluation activities and report such information as the Secretary may require; describe the liability insurance coverage which the applicant intends to purchase; and provide such other assurances as the Secretary may reasonably require.

The Committee bill also establishes certain requirements that the Secretary must meet in approving applicants. First, the Secretary must assure an equitable distribution of approved applications among States, and also among inner-city, urban, suburban and rural areas.

The Committee notes that in awarding grants under this Act, the Secretary of Health and Human Services shall select applications for funding in a fashion consistent with the fact that 35 percent of all children between the ages of five and fourteen live outside of Standard Metropolitan Statistical Areas. Second, the Secretary must give priority to applications from applicants in communities in which there is the greatest need for child care services for school-age children and in which there is a shortage of economic resources for the provision of child care services for such children. In meeting the requirement to give priority status to applications from areas of greatest need, the Secretary shall provide particular weight to applications from areas not currently served by existing service facilities.

Third, the Secretary must give consideration to applicants who can illustrate an identifiable base of support from the community in the form of financial or in-kind contributions from other agencies, parent groups, business, or civic organizations so that program operations can be sustained without continuing support under the Act.

The Committee believes that proper fulfillment by the Secretary of these requirements will result in overall equitable distribution of funds, taking into consideration both need for services, and the support of the community involved in assuring the continuation of services in future years, after Federal funds for the particular program have been reduced or terminated.

Assessment of child care needs

All of those who are interested in the child care problem are frustrated by the lack of data both with respect to the demand for child care services, and the availability of existing services. There is at present no mechanism for gathering national data. To remedy this, at least with respect to school-age children, the Committee bill requires the Secretary of Health and Human Services to carry out a program of collecting data from recipients of assistance. The program must be designed to provide a national need assessment for child care service to school-age children in the United States. The data must include the number of children served, the number of children awaiting care, the income distribution of families served, and the percentage of families requiring reduced or waived fees.

Not later than 160 days after the end of each fiscal year the Secretary must prepare and submit to the Committee on Education and Labor the House of Representatives and the Committee on Labor and Human Resources of the Senate a full and complete report of the activities under the Act during the preceding fiscal year. The report must include a needs assessment of the availability of, and need for Federal support for, child care services for school-age children and in each State. In order to provide the Congress with sufficient information to evaluate the program, the report must also include a statement of the number of programs established, the number that failed, and the reasons for such failures.

National clearinghouse on school-age child care

The bill establishes a limit of 5 percent of the amount appropriated as the amount that may be used for any administrative expenses involved in carrying out the program. From this amount, the Secretary is required to establish and operate a clearinghouse on school-age child care programs. The clearinghouse will collect and disseminate to the public information pertaining to programs and services available for the provision of school-age child care. This will include information on ways to coordinate programs and services for school-age children. The clearinghouse will also be required to provide technical assistance to public agencies, private nonprofit organizations, and groups of parents desiring to establish programs to serve school-age children. The Secretary is authorized to enter into contracts with qualified public agencies and private organizations to operate the clearinghouse, and to accept public and private donations for use in operating the clearinghouse.

The Committee believes that successful operation of a national clearinghouse will serve as a catalyst to improve, expand, and create services for school-age children. It will provide individual groups and organizations with an opportunity to share their experiences, and to benefit from the knowledge that others have gained. Sometimes the most important assistance that can be provided is basic "how to" information. The clearinghouse will be a source of this kind of assistance, enabling organizations that wish to develop and improve their programs to do so in their own way, but with an opportunity to evaluate the success of other programs.

Withholding and audit requirements

In order to protect the integrity of the program, the bill gives the Secretary authority to stop payment to any applicant that he finds has failed to comply substantially with the application requirements. Notice and opportunity for a hearing must be provided before payments may be terminated.

In addition, the bill expressly gives the Comptroller General of the United States access for the purpose of audit and examination to any books, papers, and records of any applicant and contractee that receives assistance.

Administration

The Secretary is required to pay applicants the amount required to carry out their programs as soon as practicable after approval of the application.

The bill gives the Secretary of HHS authority to appoint and fix compensation of personnel as he determines to be necessary, to procure the services of experts and consultants, to prescribe regulations, to receive money and other property donated and bequeathed, to accept the services of voluntary and non-compensated personnel and reimburse them for expenses, including, per diem, and to enter into contracts and grants. The Secretary is further required to submit an annual report on the program to the President and the Congress.

OVERSIGHT

No findings or recommendations concerning oversight of the programs authorized by this bill have been received by the Committee from the Committee on Government Operations.

COST ESTIMATE

The Congressional Budget Office has provided the following estimates of the cost which will be involved in implementing this legislation. The Committee concurs in these estimates and adopts them in compliance with clause 7 of rule XIII. No cost estimates have been received from any other Federal department or agency. The CBO letter follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., May 10, 1984.

Hon. CARL D. PERKINS,
Chairman, Committee on Education,
U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed H.R. 4193, the School Facilities Child Care Act, as ordered reported by the House Committee on Education and Labor on May 8, 1984.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

ERIC A. HANUSHEK
(For Rudolph G. Penner).

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

1. Bill number: H.R. 4193.
2. Bill title: School Facilities Child Care Act.
3. Bill status: As ordered reported by the House Education and Labor Committee on May 8, 1984.
4. Bill purpose: The purpose of this bill is to authorize for three years a new program to encourage the use of public school facilities for before- and after-school care of children. This bill is subject to subsequent appropriations action.
5. Estimated cost to the Federal Government:

[By fiscal year, in millions of dollars]

	1985	1986	1987	1988	1989
School Facilities Child Care Act:					
Authorization level	30	30	30		
Estimated outlays	14	30	30	16	

The costs of this fall in function 500.

Basis of estimate: The authorization levels associated with this bill are those specifically stated in H.R. 4193. Estimated outlays reflect the spending patterns of similar human services programs.

6. Estimated cost to State and local governments: These new grants are to be awarded on a competitive basis to public agencies and non-profit organizations having the capacity to furnish child care and would not directly affect the budgets of State and local governments.
7. Estimate comparison: None.
8. Previous CBO estimate: None.
9. Estimate prepared by: Deborah Kalcevic.
10. Estimate approved by: James L. Blum, Assistant Director, for Budget Analysis.

INFLATIONARY IMPACT

The Committee estimates the inflationary impact of this legislation will be insignificant, in that the authorization of $30 million is a very small percentage of the total Federal budget. In addition, the programs under this bill will contribute to the economy by enabling more parents to secure jobs and become tax-paying wage earners because their children are being adequately cared for.

SECTION-BY-SECTION ANALYSIS OF H.R. 4193, SCHOOL FACILITIES CHILD CARE ACT

Section 1. States the short title of the bill, "School Facilities Child Care Act."

Section 2. Expresses Congressional findings concerning the need for child care programs for school-age children of working parents. Sets forth the purpose of the bill, to encourage public agencies and private nonprofit organizations to utilize public school facilities for child care services.

Section 3. Contains the definitions used in the bill.

Section 4. Authorizes the Secretary of Health and Human Services to make grants to public and private nonprofit agencies and organizations to establish and operate school-age child care programs in public school facilities and community centers, with priority to public school facilities. Authorizes $30 million for each of the fiscal years 1985 through 1987 and sets a limit of 5% on administrative expenses.

Section 5. Requires agencies and organizations desiring grants to submit an application to the Secretary of HHS containing certain specified information and assurances.

Section 6. Directs the Secretary to collect data from grantees to provide a national needs assessment for child care services and to report to Congress on the Department's activities under this Act.

Section 7. Establishes a national clearinghouse on school-age child care programs.

Section 8. Requires the Secretary to pay to each applicant the amount required to carry out its project.

Section 9. Specifies how this Act is to be administered at the Federal level.

Section 10. Gives the Secretary the authority to withhold payments from applicants that have failed to comply with the provisions of the Act.

Section 11. Gives the Comptroller General of the U.S. access to records for audit purposes.

CHANGES IN EXISTING LAW MADE BY THE BILL AS REPORTED

The bill creates a new program and makes no changes in existing law.

SUPPLEMENTAL VIEWS OF HON. JOHN N. ERLENBORN

What role the Federal Government should play in providing quality and affordable child care services for working parents is a major public policy issue.

The issue is an important and complex one that cannot and should not be addressed in a hasty and piecemeal fashion. The Committee on Education and Labor has recently taken action on three separate bills which deal with some aspect of child care services. Other Committees—notably the House Committee on Ways and Means—also have jurisdiction over legislation which either provides direct Federal assistance for the purchase of child care services or establishes Federal tax policy on expenditures for these types of services.

My concern is that the end product of our Committee's actions will be a patchwork quilt of duplicative Federal programs. We need to know more about what the actual child care needs are and then set priorities as to what more the Federal government ought to do.

JOHN N. ERLENBORN.